

MINUTES OF THE MEMBERS OF THE BEAUFORT-JASPER WATER AND SEWER AUTHORITY MEETING HELD ON THURSDAY 9/25/2014.

Be it remembered that the Members of the Beaufort-Jasper Water and Sewer Authority held its regular meeting Thursday, 9/25/2014, at the Beaufort-Jasper Water & Sewer Authority Administration Building. This meeting met the notice requirements of, and was properly constituted pursuant to, Chapter 4, Title 30 of the Code of Laws for South Carolina, 1976, as amended, commonly known as the "Freedom of Information Act".

ATTENDANCE

Members of the Authority in attendance: David Lott, Chair; Donna Altman, Vice-Chair; James N. Scott, Secretary/Treasurer; Jimmy Baker; Michael Bell; Lorraine Bond; Jack Burke; Brandy Gray; Donald Manson and Dr. Bill Singleton.

Members of the Authority not in attendance: Skeet Von Harten.

Staff in attendance: Ed Saxon, General Manager; Chris Petry, Chief Operating Officer; Dottie Hofmann, Chief Financial Officer; Ken Jordan, Chief Administrative Officer; Joe DeVito, Director Field Operations; Tricia Kilgore, Director of Treatment; Allena Lee-Brown, HR Manager; Brian Chemsak, Capital Projects Manager; Matthew Brady, Communications Manager; Sarah Linkimer, Controller; Will Bettis, Purchasing Manager; Libby Breland, Executive Assistant/Clerk to the Board; other staff present were: Billy Smith, Water Operations Manager; Mark Field, Chief Water Operator-Chelsea; Keith Schubert, Chief Wastewater Operator-Cherry Pt.WRF; Kelly Alston, Customer Service Manager; and Earl Sheppard, Chief Wastewater Operator- PRIWRF.

Legal Counsel in attendance: Jim Grimsley, Esq., Tupper, Grimsley and Dean, P.A., and James B. Hood, Esq., Hood Law Firm (attended via video conferencing).

Beaufort County Liaison to BJWSA: Council Member Brian E. Flewelling, (District 5: Okatie/Burton/Shell Pt.)

Public in attendance: Frank Turano, Regional Manager, Alliance Consulting Engineers.

CALL TO ORDER

Chair David Lott called the meeting to order at 8:00 a.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Dr. Bill Singleton gave the invocation and all joined in the Pledge of Allegiance to the flag of the United States.

APPROVAL OF MINUTES

Motion: Moved by Lorraine Bond, seconded by Vice-Chair Donna Altman, to approve the minutes of the 7/24/2014 regular board meeting as written and distributed in advance to the

Members of the Authority. Chair David Lott asked for a copy of the mentioned *Memorandum of Committee Assignments*, dated 7/24/2014, to be sent to all Members.

All voted in favor, none opposed,

Motion passed unanimously.

PUBLIC COMMENT

The public was recognized. There were no comments at this time.

GENERAL MANAGERS REPORT

Ed Saxon submitted the following report:

1. Safety/Wellness Report-We experienced 2 incidents and 1 minor injury in August. An employee came in contact with poison ivy during an after-hours call and the resulting rash required medical treatment. The Tobacco Free Workplace policy has been distributed to all employees. This policy will be effective 12/1/14 and we will have a 6 month transition period to allow our employees and visitors (customers, consultants, contractors, etc.) to adjust to the policy.
2. Savannah River Basin - Lake Thurmond has dipped below 326 feet which is the marker for the first drought trigger and indicates the SRB is in a mild drought. This requires the COE to reduce releases from Thurmond to 4,200 cfs. The SC Drought Response Committee met via conference call last week and upgraded 9 counties in the Edisto Basin to Incipient Drought status. As a whole, the SRB is in good shape.
3. CTSO Vacancy- We hosted John Moolick on 9/9 and spent the day doing interviews, meeting with staff and concluding with a reception with several members of the Board. I have decided not to offer the position to Mr. Moolick and will retool our job advertising to focus more on the leadership and interpersonal skills needed. We will re-advertise the position next week.
4. Service Lateral Maintenance Agreements - The staff significantly revised the initial draft agreement and sent it to Erin/Jim for their review. We incorporated their comments and have sent the revised agreement to HomeServe. If HomeServe accepts our changes, the staff recommends that we execute the contract with HomeServe. The initial revenues generated from the contract will be placed in a fund to be used to assist LMI families pay for water/sewer services. Details of this process will be developed once the contract has been signed.
5. Southside Property Transfer to City of Beaufort- The 3 parcels owned by BJWSA located adjacent to the original Southside WWTP parcel have been combined into one 1.16 acre parcel that fronts Waddell Rd. The remaining 3.891 acres will be transferred back to the city. A Land Transfer Agreement has been drafted and sent to the City for their review.

6. United Way Campaign - The United Way of the Lowcountry is beginning its 2015 campaign and BJWSA has again agreed to be a Pacesetter Company. Our goal is \$15,200 with a participation rate of 70%. If the Board would like to participate in our campaign, I have pledge forms for you. You need to use these forms in order for your contribution to count in the BJWSA totals.
7. 2017 Charting the Future Document-The 2014-2017 Strategic Focus Plan was mailed to stakeholders in early September. In addition, copies have been provided to all employees and meetings held to review the document. We are creating a PowerPoint to be used when we meet with stakeholder groups.
8. Awards - We were notified that BJWSA will be presented the AMWA, Association of Metropolitan Water Agencies, Sustainability Water Utility Management Award at their annual conference in October. Chris made a few award presentations and recognized Keith Schubert, Tricia Kilgore and Earl Sheppard on receiving a NACWA National Association of Clean Water Agencies, *Peak Performance Awards* for several of our wastewater facilities. This award is for outstanding compliance with National Pollutant Discharge Elimination system permit limits throughout the year. Next he recognized Billy Smith, Mark Field and again Tricia Kilgore on receiving an AWWA American Water Works Association, Partnership for Safe Water, *Director's Award* for commitment to producing superior water quality at both the Chelsea and Purrysburg plants. On behalf of the Board, Chair David Lott, commended the staff on all of their efforts along with a round of applause.
 - Hardeeville WWTP Upgrade/Expansion Project - Brian Chemsak made a brief presentation providing the Board a project summary, status and schedule. The plant will be upgraded to meet the discharge permit requirements associated with the new Savannah River TMDL, Total Maximum Daily Load, and expanded from 1.01MGD to 2.7MGD. This is a SRF funded project.
 - Public Affairs Report - Matthew Brady - As part of Matthew's communications report, he made a presentation showing the results of our 2014 Customer Survey.
 - Media Relations. Savannah River Site Citizens Advisory Board (CAB) held a community outreach in Beaufort. We will participate with them again in November.
 - Communications Specialist - Lou Brown, currently a customer service representative will become the new Communications Specialist.
 - Seabrook Community Water Project – The community voted against the project. They may vote again after a year if they choose to.
 - Rural Infrastructure Authority (RIA) Grant – We are in compliance with the RIA Grant for the Hardeeville water line replacement project.

A summary memo dated 9/16/2014, was included in the Board packet and is attached to these minutes and is made a part hereof.

COMMITTEE REPORTS

Report of the Executive Committee Committee Chair David Lott stated that the Executive Committee did not meet therefore had no report.

Report of the Capital Projects Committee Committee Chair Dr. Bill Singleton reported that the Capital Projects Committee met on 9/17/2014 and reviewed the status of the Capital Program and Development Activity. Several projects will be presented under New Business for Board approval. *A copy of the CIP Update memorandum from Brian Chemsak dated 9/15/2014 was included in the Board Packet and is attached to these minutes and is made a part hereof.*

Report of the Finance Committee Committee Chair Donna Altman reported that the Finance Committee met on 9/18/2014 and submitted the following report:

- August 2014 Interims. Revenues were ahead from last year, by \$800 thousand, \$336k under budget. Expenses were under budget year to date by \$250 thousand without depreciation and \$195 thousand with depreciation. Operating cash is healthy, right at \$28M. Liquidity has been a main topic at the finance committee meetings. After talking with the auditors, the change has been made in the calculation of the ratio to be less conservative and include designated current assets and liabilities.
- **Thad Coleman Report.** The balance at the end of August is \$34,158. Customers from the roundup program contributed \$13,997 to the fund while BJWSA contributed \$10,000.

A copy of the financial report dated 8/31/2014, was included in the Board packet and is attached to these minutes and is made a part hereof.

Report of the Personnel Committee Committee Chair Brandy Gray reported that the Personnel Committee met on 9/16/2014 and submitted the following report:

- Safety and Wellness. Safety & Health Fall Festival is scheduled for November 14.
- Compensation Study Implementation Update. On September 12 a feedback session was conducted with managers & supervisors on the Performance Management Process. Recommended changes were made and then presented to managers & supervisors for input and buy-in.
- Employee Survey. The results from the survey used in the “**Best Places To Work In South Carolina**” program created by SCbiz, The South Carolina Chamber Of Commerce, and Best Companies Group have been shared with the employees. The management team is developing a plan to address lower scored areas; lower score areas include: Leadership and Planning, Corporate Culture and Communications, Training, Development and Resources.
- Job Shadowing. Three employees have completed job shadowing including Allena Lee-Brown who shadowed water operator Jason Blount at the Purrysburg WTP. Seven more employees are being scheduled.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

Capital Improvement Program

Budget Adjustment

1. CIP-21670 Hardeeville WWTP Expansion - Move \$1,500,000 from FY16 to FY15. In order to begin design process, monies need to be moved from its current fiscal year into this fiscal year. This project is funded by sewer capital.

Motion: Recommendation for approval of CIP #21670 Hardeeville WWTP Expansion budget adjustment to move **\$1,500,000** into the FY15 budget year as presented and referenced in the memorandum from Brian Chemsak, dated 9/12/2014 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

2. CIP-21693 Cherry Point WRF Septage Receiving Station Improvements – Move \$250,000 from FY19 to FY15. This project was originally scheduled to be completed in FY19, but recent problems at the station have created a need for it to be moved into the current fiscal year. The proposed work will include installing a new wet well structure adjacent to the existing one. The new structure will be designed to resist the corrosive effects of hydrogen sulfide in the influent of the station. In addition to the new concrete structure, the project will also install new electrical components and new discharge piping. The existing septage pit will be demolished and removed from the plant. The project is funded from sewer capital.

Motion: Recommendation for approval of CIP #21693 Cherry Point WRF Septage Receiving Station Improvements to move **\$250,000** from FY19 to FY15 as presented and referenced in the memorandum from Brian Chemsak, dated 9/12/2014 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

CIP Additions

The following projects need to be added to the 2015-2017 CIP:

1. CIP-22154 MILCON MCAS Replace Building 1009 - \$71,588.00
2. CIP-22155 MILCON MCRD Building 204 & 416 Demo - \$13,806.00
3. CIP-22157 MILCON MCAS Fire line for building 1166 - \$14,500.00
4. CIP-22158 MILCON MCAS Sewer lateral for building 703 - \$10,530.00
5. CIP-22159 MILCON MCRD Fire line for building 599 - \$16,000.00
6. CIP 22160 MILCON MCAS PMO Mobile Command Unit Shelter - \$5,190.00

Motion: Recommendation for approval of adding CIP Projects #22154, 22155, 22157, 22158, 22159, 22160 to the 2015-2017 CIP as presented and referenced in the memorandum from Brian Chemsak, dated 9/12/2014 and amended 9/23/2014 to add CIP #22160 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

Contract/Purchase Award

1. CIP-21753 Lab Equipment Purchase and Set Up - Equipment Award to ThermoScientific - \$149,622.85. This project is the purchase and installation of new laboratory equipment. The main piece of equipment to be purchased is a gas chromatography mass spectrometer (GC-MS). The selected GC-MS is capable of analyzing disinfection byproducts (DBPs, total trihalomethanes, haloacetic acids) and taste and odor compounds (geosmin and MIB). With our own GC-MS, we can do our own compliance sampling as well as process control sampling to improve DBP reduction and compliance. This GC-MS is also capable of measuring MIB and geosmin, two substances which cause taste and odor problems. This project is funded from water and sewer capital.

Motion: Recommendation for approval of CIP #21753 Lab Equipment Purchase and Set Up - Equipment Award to ThermoScientific in the amount of **\$149,622.85** as presented and referenced in the memorandum from Brian Chemsak, dated 9/3/2014 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

2. CIP 21846 Purrysburg WTP Alum Pond Excavation – Contract Award to Palmetto Water Solutions for \$491,063.00. This project will excavate the alum ponds at the Purrysburg WTP. The work consists of dredging the existing alum pond, dewatering the material and hauling the solids to a landfill. The existing alum pond is at capacity and this project needs to be completed to allow for the storage of more solids from the treatment process. This project is funded from C&D.

Motion: Recommendation for approval of CIP #21846 Purrysburg WTP Alum Pond Excavation Contract Award to Palmetto Water Solutions for **\$491,063.00** as presented and referenced in the memorandum from Brian Chemsak, dated 9/10/2014 came from the Capital Projects Committee, *requiring no second,*

All voted in favor, none opposed,

Motion passed unanimously.

PUBLIC COMMENT

Councilman Brian Flewelling noted that the Beaufort County Storm Water Management division has contracted for professional consulting services to assist the County in developing its initial draft MS4 (*Municipal Separate Storm Sewer System*) storm water permit which may impact BJWSA operations. He also noted that Low Country Council of Governments will select a new executive director tonight at its Board meeting.

9:15a.m.

EXECUTIVE SESSION

Motion: Brandy Gray moved, seconded by Lorraine Bond, to go into executive session for the purpose of discussing legal matters.

All voted in favor, none opposed.

Motion passed unanimously.

Chair David Lott, excused all persons from the meeting. Legal counsel, the general manager, and CFO remained for the executive session for the legal briefing. Jamie Hood, Esq. joined via video conferencing.

9:50a.m.

RECONVENE

Motion: Jimmy Baker, moved, seconded by Dr. Bill Singleton, to reconvene regular session, *All voted in favor, none opposed.*

Motion passed unanimously.

ACTION

No action was taken.

ADJOURNMENT

With no further business to come before the Board, Chair David Lott adjourned the meeting at 9:50a.m.

All voted in favor, none opposed.

Motion passed unanimously.

APPROVED: 10/23/2014

Respectfully submitted,

Libby Breland, Clerk to Board

Signatures and Attachments on file.